To examine the sensitivity of these estimates to the assumptions used to project the characteristics of the simulated population, an alternative population for 2030 was simulated. Under the alternative scenario, the labor force participation rate of women in 2030 was about 10 percent higher and the divorce rate was about 20 percent higher than assumed in the baseline simulation. Under the high-participation, high-divorce set of assumptions, the estimated cost of Generic I would be 1.1 percent, rather than 1.6 percent, above current law; the estimated cost of Modified I would be 3.8 percent, rather than 4.5 percent, above current law.

The alternative set of assumptions produces a higher estimated effect of earnings sharing on elderly beneficiaries and a lower effect on nonelderly beneficiaries than are estimated with the baseline set of assumptions. For example, Generic I is estimated to increase the total benefits that would be paid to the elderly in 2030 by 1.3 percent above current law, rather than 1.0 percent; estimated benefits for the nonelderly would be 0.1 percent below current law, rather than 8.3 percent above it. The difference in the estimates for the elderly appears to result mainly from the difference in the percentage of women assumed to have worked for many years. These women have the most to gain and, of course, there would be more of them in the alternative scenario than in the baseline simulation. The difference in the estimates for the nonelderly likely results from more women being eligible for current law disability benefits in their own right under the alternative scenario. 22/

Effects on Beneficiaries of Transition I

The estimates reported in Tables IV-4 and IV-5 indicate that, by the year 2030, the Transition I provisions would generate average benefits for most elderly groups similar to the long-run averages derived for the retrospective Generic and Modified plans. Had an earlier year been chosen, the transition provisions would have played a larger role in the estimates. 23/ In general, the transition provisions would reduce the number of beneficiaries who

22. Using the alternative set of assumptions, total benefits paid to the elderly under Modified I would be 2.8 percent, rather than 2.6 percent, higher than under current law; benefits paid to the nonelderly would be 15.1 percent, rather than 25.4 percent, higher.

23. The HHS report (pp. 136-137) examined the effects of earnings sharing for the year 2010 as well. It estimates, for example, that 29 percent of the elderly couples would receive at least 1 percent less than their current law benefits under Generic I in 2010 and 44 percent would receive at least 1 percent less in 2030. If the Generic plan was implemented prospectively with no transition provisions, 37 percent of the couples would lose in 2010 and 46 percent would lose in 2030.

TABLE IV-4. ANNUAL BENEFITS OF SELECTED ELDERLY GROUPS IN THE YEAR 2030 UNDER GENERIC EARNINGS SHARING I (Numbers of beneficiaries in thousands; benefits in 1984 dollars) a/

Group	Number of Beneficiaries	Average Benefit Under Plan	Percent Change c/	Beneficiaries Who Would Gain At Least 5 % b/		Beneficiaries Who Would Lose At Least 5 % b/	
				Number	Average Gain	Number	Average Loss
Married Couples d/							
Total	12,880	16,590	-0.5	1,980	1,870	2,340	1,870
Wives worked at least 30 yrs.	7,830	17,260	1.4	1,500	1,890	540	1,920
Wives worked fewer than 30 yrs.	5,050	15,540	-3.4	480	1,830	1,800	1,860
Widows							
Total	15,320	9,230	0.4	2,930	1,730	1,680	2,720
Worked at least 30 yrs.	8,210	9,870	1.7	2,340	1,790	1,110	2,610
Worked fewer than 30 yrs.	7,100	8,490	-1.2	590	1,520	570	2,930
Divorced Women with Deceased Ex-Husbands							
Total	6,400	8,490	3.0	1,990	1,420	510	2,610
Worked at least 30 yrs.	4,650	8,760	4.1	1,650	1,390	340	2,200
Worked fewer than 30 yrs.	1,750	7,750	-0.3	340	1,570	170	3,420

(Continued)

TABLE IV-4. (Continued)

Group	Number of Beneficiaries	Average Benefit Under Plan	Percent Change c/	Beneficiaries Who Would Gain At Least 5 % b/		Beneficiaries Who Would Lose At Least 5 % b/	
				Number	Average Gain	Number	Average Loss
			Other Divorced Women				
Total	2,930	6,920	11.8	1,760	1,240	120	660
Worked at least 30 yrs.	2,230	7,340	10.7	1,320	1,220	80	670
Worked fewer than 30 yrs.	710	5,600	16.3	440	1,310	30	640
			Widowers				
Total	3,810	10,140	4.8	1,430	1,180	130	1,590
			Divorced Men				
Total	4,360	8,960	-6.3	490	1,000	2,280	1,340

SOURCE: Congressional Budget Office simulations.

a. See the text for a description of the plan. Beneficiaries depicted in this table are age 62 or older and would account for approximately three-quarters of all beneficiaries in the simulated population.

b. The average gains (losses) are for the beneficiaries whose benefits under the plan would be at least 5 percent higher or lower than their benefits under current law in the simulation year.

c. Relative to benefit under current law.

d. Couples in which both spouses would receive benefits under current law and at least one spouse is age 62 or older.

TABLE IV-5. ANNUAL BENEFITS OF SELECTED ELDERLY GROUPS IN THE YEAR 2030 UNDER MODIFIED EARNINGS SHARING I (Numbers of beneficiaries in thousands; benefits in 1984 dollars) a/

Group	Number of Beneficiaries	Average Benefit Under Plan	Percent Change c/	Beneficiaries Who Would Gain At Least 5 % b/ Number	Beneficiaries Who Would Gain At Least 5 % b/ Average Gain	Beneficiaries Who Would Lose At Least 5 % b/ Number	Beneficiaries Who Would Lose At Least 5 % b/ Average Loss
			Married Couples d/				
Total	12,880	16,960	1.8	3,390	1,810	1,640	1,550
Wives worked at least 30 yrs.	7,830	17,560	3.1	2,320	1,840	400	1,510
Wives worked fewer than 30 yrs.	5,050	16,040	-0.4	1,070	1,750	1,240	1,570
			Widows				
Total	15,320	9,270	0.8	3,220	1,710	1,650	2,700
Worked at least 30 yrs.	8,210	9,910	2.1	2,480	1,770	1,090	2,580
Worked fewer than 30 yrs.	7,100	8,530	-0.8	740	1,500	560	2,920
			Divorced Women with Deceased Ex-Husbands				
Total	6,400	8,600	4.4	2,380	1,490	510	2,530
Worked at least 30 yrs.	4,650	8,870	5.4	1,950	1,430	340	2,160
Worked fewer than 30 yrs.	1,750	7,880	1.3	420	1,740	170	3,250

(Continued)

TABLE IV-5. (Continued)

Group	Number of Beneficiaries	Average Benefit Under Plan	Percent Change c/	Beneficiaries Who Would Gain At Least 5 % b/		Beneficiaries Who Would Lose At Least 5 % b/	
				Number	Average Gain	Number	Average Loss
Other Divorced Women							
Total	2,930	7,230	16.7	2,160	1,420	90	650
Worked at least 30 yrs.	2,230	7,660	15.4	1,650	1,390	70	590
Worked fewer than 30 yrs.	710	5,880	22.3	520	1,510	20	780
Widowers							
Total	3,810	10,160	4.9	1,430	1,190	130	1,450
Divorced Men							
Total	4,360	9,000	-5.8	590	990	2,160	1,360

SOURCE: Congressional Budget Office simulations.

a. See the text for a description of the plan. Beneficiaries depicted in this table are age 62 or older and would account for approximately three-quarters of all beneficiaries in the simulated population.

b. The average gains (losses) are for the beneficiaries whose benefits under the plan would be at least 5 percent higher or lower than their benefits under current law in the simulation year.

c. Relative to benefit under current law.

d. Couples in which both spouses would receive benefits under current law and at least one spouse is age 62 or older.

would lose, relative to current law, from the implementation of either plan, while the lack of a complete work lifetime of earnings sharing for many beneficiaries would reduce the number who would gain.

The estimates for the Generic plan illustrate these patterns. Under Generic I the estimated average benefit of married couples in 2030 would be $16,590, with about 2.0 million couples gaining and 2.3 million couples losing at least 5 percent (see Table IV-4). 24/ Under the fully implemented Generic plan--as depicted by the retrospective earnings sharing results reported in Table IV-1--the average benefit would be $16,620; 2.6 million couples would gain and 2.9 million couples would lose at least 5 percent. Likewise, Modified I would provide couples with an average benefit of $16,960, which would be within $30 of their estimated benefit under the fully implemented Modified plan--but with about 500,000 fewer couples either gaining or losing at least 5 percent.

The current law guarantee is especially important for widows. They would be guaranteed their current law benefits if they were married before 1990 or if their husbands died before 1995. Thus, the number of widows estimated to lose under either plan with Transition I is 1.7 million (11 percent of all widows), compared with 5.0 million (33 percent) under either plan implemented retrospectively without transition provisions. On the other hand, the 2.9 million widows who would gain under Generic I and the 3.2 million who would gain under Modified I are fewer than estimated above (5.9 million and 6.0 million, respectively) because they would have had a shorter period in which to share (and inherit) earnings records.

Divorced beneficiaries whose marriages ended before 1990, or whose former husbands died before 1995, would be guaranteed their current law benefit. This would have a major effect on divorced women with deceased ex-husbands, many of whom would otherwise have had substantial losses as a result of either earnings sharing plan. Recall that, under current law, eligible divorced survivors can receive up to 100 percent of their ex-spouses' benefits. The estimated number who would lose under Generic I or

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24. It will be recalled that HHS focuses on gains and losses of 1 percent or more, whereas the CBO analysis counts changes of 5 percent or more. For married couples, in particular, this difference is important because the majority of couples with gains and losses under Generic I are estimated to incur changes of less than 5 percent. Thus, HHS reports (on p. 6 of the Executive Summary and on p. 39 of the text) that 37 percent of the couples would gain and 44 percent would lose, whereas the corresponding CBO estimates are 15 percent and 18 percent. The difference is almost entirely due to the different percentage thresholds, as Table A5 on p. 434 of the HHS report indicates that 17 percent of couples are gainers of at least 5 percent and 18 percent are losers.

Modified I is about 500,000, compared with 1.7 million under retrospective earnings sharing. Even though many of the divorced women with deceased ex-spouses who would be expected to gain from earnings sharing would not have shared and inherited earnings from complete work histories, 2.4 million would still gain; the estimates for the retrospective plans, which may better reflect the long-term effects of inheritance, indicate that about 3.5 million would gain.

As previously discussed, divorced women with no deceased ex-husbands would do, on average, much better in the long run under either earnings sharing plan than they would under current law, and divorced men would do worse. These patterns hold for the results in 2030 under Transition I as well, but the average impacts would not be as large--because many of the divorced beneficiaries whose marriages included years prior to 1990 would have had some married years in which earnings were not shared, and the transition guarantees would protect beneficiaries who would otherwise lose.

Finally, it is important to note that the implementation of Generic I would have a major effect on the benefit levels of some beneficiaries--even though, for the majority of beneficiaries, the impacts would be small. For example, among the 6.7 million widows and divorced women who would have gains of at least 5 percent, the average gain would be about 20 percent; among the 2.3 million unmarried women who would incur losses of at least 5 percent, the average loss would be about 25 percent. An estimated 610,000 unmarried women (2.5 percent of this group) would gain at least 40 percent, and 340,000 (1.4 percent) would lose at least this percentage of their current law benefits. 25/

Effects of Transition II

Transition II would not provide as much protection in 2030 as would Transition I. Therefore, the simulated population would, in general, have lower average benefits and more losers (relative to current law) under this set of transition provisions than under Modified I. More recipients in every current law benefit group would lose under Transition II than under Modified I. The estimated number of beneficiaries who would gain is virtually unaffected by the choice of transition provisions because current law guarantees, of course, cannot result in beneficiaries doing better than they

25. The changes for married couple beneficiaries are not as large because generally the losses of one spouse would offset the gain of the other. The estimated average gain or loss of couples whose benefits would change by at least 5 percent is 11 percent, with very few couples estimated to gain or lose more than 30 percent. Among the group with the largest proportion of beneficiaries who incur reduced benefits--divorced men--the average loss would be about 13 percent, with most of them losing less than 20 percent.

would have done under current law. These patterns are illustrated by estimates of the benefits that would be paid in 2030 under Modified II (see Table IV-6). 26/

The major differences are for widows and divorced women with deceased ex-husbands. Modified II would reduce the average benefit of widows by 11.5 percent of the amount under current law--compared with a 0.8 percent average increase under Modified I. The average benefit for divorced women with deceased ex-husbands also would be reduced below current law under Modified II and increased under Modified I. For both groups, the results reflect much larger numbers of beneficiaries who would lose under Modified II. One reason these women's benefits are especially sensitive to the transition rules is that they would be the oldest of the major groups examined and thus least likely to have been able to inherit their husbands' or ex-husbands' full earnings records.

Effects of Transition III

Transition III (the provisions suggested by the Technical Committee on Earnings Sharing) would produce a different pattern of benefits than either of the other transitions, largely because the extent of the current law benefit guarantee would vary according to the size of the PIA on which it was based. Low-benefit recipients would be helped by Modified III in two ways--by the special minimum provisions of the Modified plan and by the tilt in the benefit formula transition arrangements. In general, the average benefits that would be paid to widows and divorced women with deceased ex-husbands under Modified III are lower than would be paid under Modified I and higher than would be paid under Modified II (see Table IV-7). 27/

26. There would be 40,000 fewer couples who would gain under Modified II than under Modified I. This results from one spouse gaining under the Modified plan (regardless of which transition is used) and the other spouse being protected from losses under Transition I but not under Transition II.

27. The effects of this plan on beneficiaries--especially on widows--are quite sensitive to the number of years that earnings are shared. The estimates presented here were based on the assumption that earnings records would start to be shared in 1990, thereby providing 40 years during which records could be shared. As the plan is described by Sheila Zedlewski in "The Distributional Consequences of an Earnings Sharing Proposal," Project Report No. 3344 (Washington, D.C.: The Urban Institute, December 1984), records would be shared starting in 1985. CBO estimates that the additional five years of shared earnings would increase (relative to the estimates reported in Table IV-7) the average benefits of married couples by $100; of widows by $200; and of divorced women by $200.

Divorced women with no deceased former husbands would do best under Transition III because it would provide protection as if the current law divorced-spouse benefit equalled two-thirds, rather than one-half, of the worker benefit. As previously discussed, many divorced women whose husbands are alive would gain because earnings sharing would generally provide them with more than a benefit based either on their own earnings or on half of their husbands' benefits. Others would gain because of the special minimum benefit provisions in the Modified plan.

Effects of a "No-Loser" Transition

All of the earnings sharing options analyzed in this chapter thus far would result in some beneficiaries receiving lower benefits than they would receive under current law. In general, the major groups of "losers" would include many married couples in which the wives had little covered earnings, many widows and divorced women with deceased ex-husbands, and divorced men. Their losses, in effect, would pay for some or all of the gains that would accrue to other beneficiaries as a result of implementing earnings sharing.

An alternative approach would be to provide recipients with the higher of their benefits under earnings sharing or under current law. This would require a transition provision in which beneficiaries would be guaranteed 100 percent of current law benefits for a specified period or indefinitely. This "no-loser" approach would, of course, cost much more to implement than would the other transition options during the period in which the guarantee was in force.

This approach would require, in effect, the operation of two parallel benefit structures--one based on current law and the other based on earnings sharing. If the guarantee was later to be removed, the issue of how to make that transition would need to be addressed. Delaying the removal of the current law guarantee would enable more beneficiaries to have shared earnings records throughout their careers, however. Nonetheless, as illustrated by the estimates for retrospective earnings sharing, there would still be a number of beneficiaries who would have lower benefits under either of the fully implemented earnings sharing plans than they would under current law.

The no-loser approach can be illustrated by adding a guarantee to the Generic plan, as was done in the HHS report. In that analysis, each beneficiary was guaranteed his or her benefit under current law. For couples, this means that in the typical case in which one spouse would gain

TABLE IV-6. ANNUAL BENEFITS OF SELECTED ELDERLY GROUPS IN THE YEAR 2030 UNDER MODIFIED EARNINGS SHARING II (Numbers of beneficiaries in thousands; benefits in 1984 dollars) a/

Group	Number of Beneficiaries	Average Benefit Under Plan	Percent Change c/	Beneficiaries Who Would Gain At Least 5 % b/		Beneficiaries Who Would Lose At Least 5 % b/	
				Number	Average Gain	Number	Average Loss
Married Couples d/							
Total	12,880	16,900	1.4	3,350	1,810	1,900	1,720
Wives worked at least 30 yrs.	7,830	17,490	2.7	2,300	1,840	530	1,950
Wives worked fewer than 30 yrs.	5,050	15,970	-0.8	1,050	1,750	1,380	1,630
Widows							
Total	15,320	8,140	-11.5	3,220	1,710	7,960	2,720
Worked at least 30 yrs.	8,210	9,040	-6.8	2,480	1,770	3,820	2,580
Worked fewer than 30 yrs.	7,100	7,090	-17.6	740	1,500	4,130	2,860
Divorced Women with Deceased Ex-Husbands							
Total	6,400	7,700	-6.5	2,380	1,490	2,440	2,860
Worked at least 30 yrs.	4,650	8,190	-2.7	1,950	1,430	1,500	2,580
Worked fewer than 30 yrs.	1,750	6,410	-17.6	420	1,740	940	3,310

(Continued)

TABLE IV-6. (Continued)

Group	Number of Beneficiaries	Average Benefit Under Plan	Percent Change c/	Beneficiaries Who Would Gain At Least 5 % b/		Beneficiaries Who Would Lose At Least 5 % b/	
				Number	Average Gain	Number	Average Loss
Other Divorced Women							
Total	2,930	7,210	16.4	2,160	1,420	150	870
Worked at least 30 yrs.	2,230	7,650	15.4	1,650	1,390	80	660
Worked fewer than 30 yrs.	710	5,810	20.7	520	1,510	70	1,120
Widowers							
Total	3,810	10,130	4.7	1,430	1,190	180	1,480
Divorced Men							
Total	4,360	8,980	-6.0	590	990	2,220	1,370

SOURCE: Congressional Budget Office simulations.

a. See the text for a description of the plan. Beneficiaries depicted in this table are age 62 or older and would account for approximately three-quarters of all beneficiaries in the simulated population.

b. The average gains (losses) are for the beneficiaries whose benefits under the plan would be at least 5 percent higher or lower than their benefits under current law in the simulation year.

c. Relative to benefit under current law.

d. Couples in which both spouses would receive benefits under current law and at least one spouse is age 62 or older.

TABLE IV-7. ANNUAL BENEFITS OF SELECTED ELDERLY GROUPS IN THE YEAR 2030 UNDER MODIFIED EARNINGS SHARING III (Numbers of beneficiaries in thousands; benefits in 1984 dollars) a/

Group	Number of Beneficiaries	Average Benefit Under Plan	Percent Change c/	Beneficiaries Who Would Gain At Least 5 % b/		Beneficiaries Who Would Lose At Least 5 % b/	
				Number	Average Gain	Number	Average Loss
Married Couples d/							
Total	12,880	17,070	2.5	3,880	1,760	1,320	1,580
Wives worked at least 30 yrs.	7,830	17,640	3.6	2,590	1,790	360	1,510
Wives worked fewer than 30 yrs.	5,050	16,200	0.6	1,290	1,700	950	1,600
Widows							
Total	15,320	8,990	-2.2	3,250	1,710	5,300	1,500
Worked at least 30 yrs.	8,210	9,710	0.0	2,500	1,770	2,780	1,490
Worked fewer than 30 yrs.	7,100	8,170	-5.0	750	1,510	2,520	1,520
Divorced Women with Deceased Ex-Husbands							
Total	6,400	8,400	2.0	2,500	1,510	1,720	1,490
Worked at least 30 yrs.	4,650	8,660	2.9	2,000	1,460	1,120	1,490
Worked fewer than 30 yrs.	1,750	7,720	-0.8	490	1,720	600	1,480

(Continued)

TABLE IV-7. (Continued)

Group	Number of Beneficiaries	Average Benefit Under Plan	Percent Change c/	Beneficiaries Who Would Gain At Least 5 % b/		Beneficiaries Who Would Lose At Least 5 % b/	
				Number	Average Gain	Number	Average Loss
Other Divorced Women							
Total	2,930	7,300	17.9	2,260	1,450	70	690
Worked at least 30 yrs.	2,230	7,710	16.2	1,690	1,430	50	680
Worked fewer than 30 yrs.	710	6,040	25.5	580	1,510	10	750
Widowers							
Total	3,810	10,160	4.9	1,430	1,190	130	1,250
Divorced Men							
Total	4,360	9,070	-5.1	590	990	2,060	1,270

SOURCE: Congressional Budget Office simulations.

a. See the text for a description of the plan. Beneficiaries depicted in this table are age 62 or older and would account for approximately three-quarters of all beneficiaries in the simulated population.

b. The average gains (losses) are for the beneficiaries whose benefits under the plan would be at least 5 percent higher or lower than their benefits under current law in the simulation year.

c. Relative to benefit under current law.

d. Couples in which both spouses would receive benefits under current law and at least one spouse is age 62 or older.

from earnings sharing and the other would lose, the former would still gain and the latter would not lose. Consequently, many couples whose combined benefits under Generic I would be at least as high as their benefits under current law would nonetheless be receiving additional benefits from the guarantee. 28/

The option analyzed by CBO would guarantee couples their combined benefits under current law, rather than their individual benefits. (For beneficiaries other than married couples, the guarantee modelled by CBO is the same as the one in the HHS report.) Guaranteeing combined, rather than individual, benefits would thereby limit the protection to couples who would otherwise lose benefits if earnings sharing were implemented. One problem, however, is that it might be possible for couples to increase their total benefits by divorcing--because if one ex-spouse would gain and the other would lose under earnings sharing, the guarantee would protect the latter if they were not still married.

The total benefits going to elderly recipients in 2030 under this option would be 4.1 percent above the current law total for these recipients. The estimated difference between the total benefits that would be paid to the elderly in 2030 under Generic IV and under Generic I--3.1 percent of current law benefits or about $19 billion (in 1984 dollars)--illustrates the cost of providing complete protection of current law benefits. The effects on major groups of elderly beneficiaries are reported in Table IV-8. Every couple and every individual beneficiary who would have lost under the Generic I plan (reported in Table IV-6 above) would receive, instead, the current law benefit.

A complete current law guarantee, then, would cost much more than the same earnings sharing plan without such a guarantee. The additional benefits would go to people who would otherwise incur benefit reductions. This would be one way of assuring that many widows and others who might be worse off under earnings sharing would not incur losses as a result of earnings sharing. One consequence of guaranteeing individual benefits, however, would be less progress toward achieving the objective of having benefits for couples no longer affected by the proportion of total covered wages earned by each spouse.

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28. CBO estimates that the version of the no-loser guarantee in the HHS report would increase the average benefit of married couples by 8.6 percent, whereas the version reported here would increase their average benefit by 2.4 percent (each relative to current law). Because the estimates for the other groups are the same for both versions, CBO estimates that the version in the HHS report would increase total benefits in 2030 paid to elderly recipients by 6.4 percent, compared to 4.1 percent in this version.

CONCLUSIONS REGARDING THE EARNINGS SHARING PLANS

What would earnings sharing accomplish? The answer depends, in part, on the specific provisions of the plan and the extent to which current law benefits would be guaranteed. Table IV-9 summarizes the major results of CBO's analysis.

In general, the plans examined in this chapter would move the Social Security benefit structure closer to the achievement of three key objectives of their proponents. First, the combined retirement benefits of couples would be less affected by the proportion of total covered wages earned by each spouse. For example, the difference in average benefits between couples in which the wives worked at least 30 years and other couples would widen from about $900 ($17,030 for the former and $16,100 for the latter) to between $1,200 and $1,700, depending on which version was implemented. Guarantees of current law benefits tend to reduce this effect of earnings sharing, with Generic IV producing the smallest effect.

Second, the benefits paid to survivors would also be less affected by the proportion of total wages earned by each spouse. Under current law, widows who worked at least 30 years would have an average benefit of $9,710--about $1,100 above that of other widows. Under the various versions of earnings sharing examined here, this difference would widen to between $1,400 and $2,000. This would occur, however, mainly from reductions of up to $1,500 in the average benefits of widows with relatively short work histories; even under the most generous transition provisions, widows with substantial work histories would only gain an average of $600. One reason widows would not do much better under these earnings sharing plans is that the actuarial rules favorable to them under current law would be eliminated.

Third, divorced women (especially those with no deceased ex-husbands) would receive significantly higher benefits under these earnings sharing plans than under current law. The average benefit of divorced women with no deceased ex-husbands would increase by about 12 percent (to $6,920) under Generic I and by even more under the various versions of the Modified plan. That of divorced women with deceased ex-husbands would increase by 3 percent (to $8,490) under Generic I; under Modified I and Modified III, their average benefit would also be higher than under current law; but under Modified II, it would be about 7 percent lower. Divorced men would, in effect, be paying for part of the gains of divorced women (except with Generic IV). Their average benefits would decrease by about 6 percent (to $9,000).

TABLE IV-8. ANNUAL BENEFITS OF SELECTED ELDERLY GROUPS IN THE YEAR 2030 UNDER GENERIC EARNINGS SHARING IV (Numbers of beneficiaries in thousands; benefits in 1984 dollars) a/

Group	Number of Beneficiaries	Average Benefit Under Plan	Percent Change c/	Beneficiaries Who Would Gain At Least 5 % b/: Number	Beneficiaries Who Would Gain At Least 5 % b/: Average Gain
Married Couples d/					
Total	12,880	17,060	2.4	1,980	1,870
Wives worked at least 30 yrs.	7,830	17,520	2.9	1,500	1,890
Wives worked fewer than 30 yrs.	5,050	16,330	1.5	480	1,830
Widows					
Total	15,320	9,540	3.7	2,930	1,730
Worked at least 30 yrs.	8,210	10,230	5.4	2,340	1,790
Worked fewer than 30 yrs.	7,100	8,730	1.5	590	1,520
Divorced Women with Deceased Ex-Husbands					
Total	6,400	8,700	5.5	1,990	1,420
Worked at least 30 yrs.	4,650	8,930	6.1	1,650	1,390
Worked fewer than 30 yrs.	1,750	8,090	4.0	340	1,570

(Continued)

TABLE IV-8. (Continued)

Group	Number of Beneficiaries	Average Benefit Under Plan	Percent Change c/	Beneficiaries Who Would Gain At Least 5 % b/ Number	Beneficiaries Who Would Gain At Least 5 % b/ Average Gain
		Other Divorced Women			
Total	2,930	6,960	12.4	1,760	1,240
Worked at least 30 yrs.	2,230	7,380	11.3	1,320	1,220
Worked fewer than 30 yrs.	710	5,630	17.0	440	1,310
		Widowers			
Total	3,810	10,200	5.4	1,430	1,180
		Divorced Men			
Total	4,360	9,690	1.4	490	1,000

SOURCE: Congressional Budget Office simulations.

a. See the text for a description of the plan. Beneficiaries depicted in this table are age 62 or older and would account for approximately three-quarters of all beneficiaries in the simulated population.

b. The average gains are for the beneficiaries whose benefits under the plan would be at least 5 percent higher than their benefits under current law in the simulation year.

c. Relative to benefit under current law.

d. Couples in which both spouses would receive benefits under current law and at least one spouse is age 62 or older.

TABLE IV-9. AVERAGE ANNUAL SOCIAL SECURITY BENEFITS OF SELECTED ELDERLY GROUPS IN THE YEAR 2030 UNDER ALTERNATIVE BENEFIT PLANS (Numbers of beneficiaries in thousands; benefits in 1984 dollars) a/

Group	Number of Beneficiaries	Benefits: Current Law	Benefits: Generic I	Benefits: Modified I	Benefits: Modified II	Benefits: Modified III	Benefits: Generic IV
Married Couples b/							
Total	12,880	16,670	16,590	16,960	16,900	17,070	17,060
Wives worked at least 30 yrs.	7,830	17,030	17,260	17,560	17,490	17,640	17,520
Wives worked fewer than 30 yrs.	5,050	16,100	15,540	16,040	15,970	16,200	16,330
Widows							
Total	15,320	9,190	9,230	9,270	8,140	8,990	9,540
Worked at least 30 yrs.	8,210	9,710	9,870	9,910	9,040	9,710	10,230
Worked fewer than 30 yrs.	7,100	8,600	8,490	8,530	7,090	8,170	8,730
Divorced Women with Deceased Ex-Husbands							
Total	6,400	8,240	8,490	8,600	7,700	8,400	8,700
Worked at least 30 yrs.	4,650	8,420	8,760	8,870	8,190	8,660	8,930
Worked fewer than 30 yrs.	1,750	7,780	7,750	7,880	6,410	7,720	8,090

(Continued)